

Security Information

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Official Diary

State Dept. declassification & release instructions on file

Tuesday, 17 March 1953

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1. [redacted] phoned and stated that [redacted] would be unavailable as Secretary of USCIB. He suggested [redacted] who is also a BG. I later checked with Sheldon and found that [redacted] would not be satisfactory to CIA.

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2. Discussed with Messrs. Amory, Reber and [redacted] and Howe, of State, certain problems raised by State's budgetary requirements as follows:

a. State is proposing to drop its ERS and we urged them to reconsider, at least in part.

b. NIS.

c. PPOs.

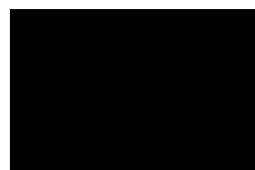
All of the foregoing has been covered in a ~~former~~ <sup>entry</sup> diary by Mr. Amory.

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3. [redacted] of Commo spoke to me respecting ECM organization. I questioned whether or not the NSCID #9 setup would not be adequate for this purpose. I felt that his initial thought of a committee under NSC was too high-level since the key to any such project would be operational support.

4. Participated in the briefing of the seven Wise Men.

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1. DD/I, ADD/I and AD/IC concurred with Park Armstrong and Fisher Howe on the general subject of problems confronting the "R" section of State in complying with directives to reduce its budget. Apparently, the cutback is going to be in the neighborhood of 12%, or 57 positions, excluding NIS and other specially supported activities. They propose to make this cutback across the board, and functionally:

a. Abolish External Research Staff (9-10 positions).

b. Abolish branches of DFI covering world communism and population and land support (UNA - 10 positions).

c. In the Geographic Branches, 1-2 positions to each, except for DRS - Total, 25 in OIR.

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- d. Reduce Biographic Index by 5 positions; Acquisition Division by 3; and take 13 people out of the Library.

The wisdom of eliminating the External Research Staff from the community was seriously examined, as well as the difficulties of locating it elsewhere as effectively as where it now is. It was proposed, by CIA representatives, that State consider saving ERS by making certain cuts in the Economic components of DRS and DFI, whereas O/RR is exceptionally well staffed. Willingness to accept transfers is expressed.

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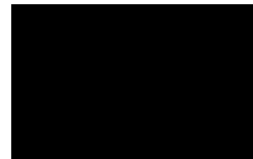
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2. The suggestion that the [REDACTED]

[REDACTED] be nominally placed on CIA rolls and be kept, in fact, where they are, was viewed with no enthusiasm. As a partial small step in the direction of reducing the State role in production of Chapter VI, CIA proposed to take the Bloc portions, thereby saving up to a score of positions and enabling the research work in O/RR ultimately to be blended with the maintenance program of Chapter VI. The State representatives viewed this favorably and undertook to give it further study.

3. DD/I, supported by ADD/I, AD/SI and AD/CI, and numerous members of their staffs, renewed the briefing of the seven consultants to the National Security Council, with emphasis on Soviet Economy, Scientific Developments and Potential, and the problems of India. The possibility of a Special Estimate on a particularly sensitive subject arose from this discussion and was passed to Dr. Kent for consideration and action by the Board.

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